



March 5, 2010

GARFIELD/ASOTIN COUNTY FSA NEWS

Garfield County FSA

PO Box 18
Pomeroy, WA 99347-0018
(509) 843-1997
FAX (509) 843-1168

Asotin County FSA

720 6th St. Ste. B
Clarkston, WA 99403-2012
(509) 758-7821
FAX (509) 758-7533

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

Garfield County FSA Committee

Diane Koller
Max Scoggin
Chris Wolf

Asotin County FSA Committee

Susie Appleford
Earl Fitzgerald
Bruce Petty

Office Staff

Nick Waldher, CED
Kathi Ledgerwood
Sherri Meacham
Emily Ruchert
Lorelei McNamee

Farm Loan Staff

Pam Castoldi – Walla Walla
Phone 509-522-6347 Ext 111

Next FSA County Committee Meetings

Garfield County-March 16
Asotin County-March 10

National FSA Website

www.fsa.usda.gov

Washington State FSA Website

www.fsa.usda.gov/wa

NAP DEADLINE APPROACHING

March 15, 2010 is the final date to apply for the Non-Insured Assistance Program (NAP) on most spring planted crops. The \$250/crop administrative fee must be paid by March 15 to provide coverage. The \$250 /crop administrative fee is capped at a maximum \$750 per county not to exceed \$1875 for multiple counties. NAP provides loss protection to crops that are not eligible for Federal Crop Insurance. To qualify for benefits, crop losses must exceed 50% of normal and be related to an eligible adverse weather condition. Payment rates are based on 55% of the average market price as determined by FSA. Crops with a March 15 deadline include grain hay (except mixtures – deadline was Sept. 30, 2009) and minor oilseeds (except canola, rapeseed and mustard seed which are now insurable by Federal Crop Insurance). The deadline to apply for perennial crops such as grass seed, grass and/or alfalfa hay and pasture for 2010 was September 30, 2009. **Important reminder – Producers are required to carry NAP coverage on all crops of economic significance to be eligible for the Supplemental Revenue Assistance Payments (SURE) Program.** A crop of economic significance is one that contributes 5% or more of the total value of crops on the farm.

CROP INSURANCE DEADLINE NEAR

The deadline to purchase Multi-Peril Crop Insurance for spring seeded crops (except spring wheat) is March 15, 2010. **Important reminder – Producers are required to carry Federal Crop Insurance coverage on all insurable crops of economic significance to be eligible for the Supplemental Revenue Assistance Payments (SURE) Program.** Producers purchase Federal Crop Insurance through private insurance companies. Contact your crop insurance agent for details.

REPORT CROP LOSSES

Prior to destroying any crop acreage that has been damaged due to adverse weather conditions, please report the loss to the FSA Office. This includes crops covered by Federal Crop Insurance and crops covered by the Non-Insured Assistance Program (NAP). Crops not covered by crop insurance or NAP should also be reported for history purposes.

SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE)

One more time – to be eligible for the SURE program, producers must carry Federal Crop Insurance on all insurable crops of economic significance and Non-Insured Assistance Program (NAP) coverage on all non-insurable crops of economic significance. Producer's decisions this spring on whether to purchase Federal Crop Insurance or NAP by March 15 will have an effect on eligibility for the SURE program for 2010.

Now; for 2008 crop losses. Many producers have indicated that they may have a qualifying loss on their 2008 crops. We are currently accepting applications for 2008 crop losses. We are working through the list of producers that have requested an application and running the worksheet that is required prior to a producer actually signing an application. This has become a very time consuming process as all data from crop insurance and NAP must be manually entered into the worksheet. We are working as quickly as possible to find out if producers are eligible for a payment. Please be patient as we work through this process.

The SURE program is a standing disaster payment program that covers crop revenue losses due to eligible disasters. For producers to be eligible for SURE, the county or an adjacent county must have received a Secretarial Disaster Designation for the crop year or individual producers may be eligible if they suffered crop losses of at least 50% in counties that were not designated or adjacent. Producers must have suffered a minimum 10% loss on at least one crop of economic significance in disaster designated or adjacent counties.

ACRE for 2010?

More than 50% of the eligible acreage in Garfield and Asotin Counties made the change from the Direct & Counter-Cyclical Program (DCP) to the Average Crop Revenue Assistance Program (ACRE) for 2009. It appears at this time that it was a profitable move for 2009 as commodity prices have remained low thus far this marketing year. The State yield for wheat was well below normal, which should result in a SURE payment for 2009 (to be issued in October 2010) that may reach the

maximum level. Now the question at hand; for farms that remained in DCP for 2009, does it make sense to change to ACRE for 2010? This may be an even more difficult question than it was in 2009 due to the fact that signup ends on June 1, 2010. All ACRE elections and contracts must be signed and submitted by this date for the farm to change from DCP to ACRE for 2010. Many unknown factors enter into the decision, such as what will the state yield be in 2010, what will be the individual farm yield in 2010 and what will market prices do in the 2010 marketing year? At the local FSA Office, we have the ACRE calculator available to assist producers in projecting the benefits of switching to ACRE, but when using the calculator, remember that it will only be a projection as there are many unknowns at this time. When changing to ACRE from DCP, producers agree to give up 20% of the DCP direct payment and 30% of the CCC loan rate. In exchange, they are guaranteed a higher support level (approximately \$5.97/Bu for wheat for 2010) through ACRE counter-cyclical payments. Producers must also be aware that once a farm changes to ACRE, it remains in ACRE through the end of the farm bill in 2012. If you still do not understand the ACRE program, please talk to us.

MID-CONTRACT MANAGEMENT PRACTICES AVAILABLE

Cost-sharing for mid-contract management practices is available to assist producers in keeping their CRP in good condition. These practices include spraying, mowing, harrowing, fertilizing, burning, inter-seeding, light disking or chiseling. Cost-sharing is not available during the last 2 years of a contract. **Mid-contract management practices must be requested and signed by all producers on the CRP contract, be approved by NRCS, the local Conservation District and the County FSA Committee, all prior to doing the work.** Mid-contract management is scheduled for 2010 on contracts enrolled in 2004. Producers on these contracts will be contacted individually to determine whether a practice will be required during 2010. Contact our office as soon as possible if you plan to apply for cost-sharing for mid-contract management practices this year.

COMMODITY LOANS

Commodity loans are available on 2009 crop wheat, barley, oats, and several minor oilseed crops through March 31, 2010. Loans mature 9 months following the month disbursed. Current interest rate is 1.375%.

ADJUSTED GROSS INCOME VERIFICATION

Last month, our office sent consent forms to all producers that must be completed and sent to the Internal Revenue Service (IRS). These forms authorize IRS to disclose a very limited amount of information to USDA for 2009 and 2010 average adjusted gross income (AGI) compliance purposes. Producers must submit the applicable form to IRS, authorizing the review, in order to retain 2009 and future program payments that are subject to AGI requirements. The form must be mailed to the IRS within 60 days of signing the form. FSA cannot accept the consent forms. Two consent forms, one for individuals (CCC-927) and one for legal entities (CCC-928) will be used. Every individual or entity who was required to file form CCC-926, Average Adjusted Gross Income Statement, must file the consent form. IRS will provide FSA and NRCS with a report indicating whether or not producers met the statutory AGI limits. No actual tax data will be included in the report. The purpose of the agreement is to reduce fraud in farm programs and streamline payment limits for family farmers. The actions are intended to strengthen the integrity and defensibility of USDA safety net programs.

FOREIGN INVESTORS MUST REPORT

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires foreign investors who acquire, transfer, or hold interest in agricultural land to report the transaction within 90 days. This requirement also pertains to leases of over 10 years. Failure to report may result in a penalty of 25% of the fair market value of the land.

HANDICAPPED ACCOMODATIONS

Special accommodations will be made for the physically handicapped, vision-, or hearing-impaired person upon request. If accommodation is required, please contact Nick Waldher at 509-843-1997.

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotapes, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."